

# ANNUAL PLAN

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## FISCAL YEAR 2015-2016



**QUALITY PRODUCTS ★ CHANGED LIVES ★ A SAFER CALIFORNIA**

Adopted by the California Prison Industry Authority Board  
on June 25, 2015

**CALPIA**  
Quality Products ★ Changed Lives ★ A Safer California



## Financial Plan

| Financial Plan<br>(In Thousands)           | FY 2012-13<br>Actuals* | FY 2013-14<br>Actuals* | FY 2014-15<br>Approved<br>Mid-Year<br>Revise | FY 2015-16<br>Approved<br>Annual Plan |
|--|------------------------|------------------------|--|---------------------------------------|
| <b>Revenues</b>                            |                        |                        |  |                                       |
| Manufacturing                              | \$85,712               | \$86,222               | \$80,745                                     | \$84,475                              |
| Services                                   | 66,987                 | 77,855                 | 92,995                                       | 101,933                               |
| Agricultural                               | 27,547                 | 28,566                 | 25,871                                       | 28,476                                |
| <b>Total Revenue</b>                       | <b>\$180,246</b>       | <b>\$192,643</b>       | <b>\$199,611</b>                             | <b>\$214,884</b>                      |
| <b>Expenses</b>                            |                        |                        |  |                                       |
| <b>Cost of Goods Sold</b>                  |                        |                        |  |                                       |
| Manufacturing                              | \$64,157               | \$63,814               | \$57,250                                     | \$59,144                              |
| Services                                   | 48,932                 | 53,610                 | 70,473                                       | 78,875                                |
| Agricultural                               | 25,428                 | 26,643                 | 22,960                                       | 25,252                                |
| <b>Total Cost of Goods Sold</b>            | <b>\$138,517</b>       | <b>\$144,067</b>       | <b>\$150,683</b>                             | <b>\$163,271</b>                      |
| <b>Gross Profit</b>                        | <b>\$41,729</b>        | <b>\$48,576</b>        | <b>\$48,928</b>                              | <b>\$51,613</b>                       |
| <b>Selling and Administration</b>          |                        |                        |  |                                       |
| <b>Central Office</b>                      |                        |                        |  |                                       |
| Prison Industry Board                      | \$128                  | \$82                   | \$191  | \$164                                 |
| Executive Management                       | 287                    | 309                    | 374  | 375                                   |
| Legal                                      | 607                    | 603                    | 633  | 661                                   |
| External Affairs                           | 141                    | 125                    | 159  | 229                                   |
| Operations Division                        | 3,029                  | 4,524                  | 3,420  | 3,486                                 |
| Health & Safety                            | 294                    | 535                    | 507  | 532                                   |
| Marketing Division                         | 3,480                  | 3,525                  | 3,841  | 4,509                                 |
| Administration Division                    |                        |                        |  |                                       |
| Administration Mgmt                        | 109                    | 373                    | 195  | 204                                   |
| Business Services                          | 820                    | 807                    | 1,231  | 1,440                                 |
| Management Information Systems             | 2,858                  | 3,865                  | 3,782  | 4,122                                 |
| Human Resources                            | 1,005                  | 1,229                  | 1,429  | 1,691                                 |
| Staff Development                          | 427                    | 586                    | 927  | 1,013                                 |
| Finance Division                           | 2,604                  | 2,556                  | 3,408  | 3,844                                 |
| <b>Sub-total Central Office</b>            | <b>\$15,789</b>        | <b>\$19,119</b>        | <b>\$20,097</b>                              | <b>\$22,270</b>                       |
| <b>Offender Development Programs</b>       |                        |                        |  |                                       |
| Industry Employment Program                | \$536                  | \$720                  | \$1,344                                      | \$1,038                               |
| Reimbursement                              | 0                      | 0                      | 0  | 0                                     |
| Joint Venture/Free Venture                 | 383                    | 648                    | 668  | 668                                   |
| Reimbursement                              | (651)                  | (656)                  | (668)  | (668)                                 |
| Career Technical Education                 | 1,070                  | 1,714                  | 2,941  | 3,221                                 |
| Reimbursement                              | 0                      | (1,989)                | (2,211)                                      | (2,600)                               |
| <b>Total Offender Development Programs</b> | <b>\$1,338</b>         | <b>\$437</b>           | <b>\$2,074</b>                               | <b>\$1,659</b>                        |
| <b>Distribution/Transportation</b>         | <b>\$12,119</b>        | <b>\$12,873</b>        | <b>\$12,203</b>                              | <b>\$12,208</b>                       |
| <b>State Pro Rata</b>                      | <b>4,789</b>           | <b>4,269</b>           | <b>4,068</b>                                 | <b>4,873</b>                          |
| <b>Other Post Employment Benefits</b>      | <b>7,191</b>           | <b>7,359</b>           | <b>10,240</b>                                | <b>9,243</b>                          |
| <b>Total Selling and Administration</b>    | <b>\$41,226</b>        | <b>\$44,057</b>        | <b>\$48,682</b>                              | <b>\$50,253</b>                       |
| <b>Operating Income/(Loss)</b>             | <b>\$503</b>           | <b>\$4,519</b>         | <b>\$246</b>                                 | <b>\$1,360</b>                        |
| <b>Non-Operating Revenues/Expenses</b>     | <b>(\$586)</b>         | <b>(\$319)</b>         | <b>(\$200)</b>                               | <b>(\$146)</b>                        |
| <b>New Enterprise Start-Up Expenses</b>    | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>                                   | <b>(\$718)</b>                        |
| <b>Penal Code 2806 Transfer</b>            | <b>\$0</b>             | <b>(\$13,000)</b>      | <b>\$0</b>                                   | <b>\$0</b>                            |
| <b>Net Gain/(Loss)</b>                     | <b>(\$83)</b>          | <b>(\$8,800)</b>       | <b>\$46</b>                                  | <b>\$496</b>                          |

\* For the purpose of this section, the display of audited financial information was reconfigured to remove Pro Rata Costs for each category. A State Pro Rata category was added to display associated costs. The Net Gain (Loss) of the fiscal year equals the audited financial statement.



# Enterprise Overview



| <b>Enterprise Overview</b><br>(In Thousands)   | <b>Revenue</b>   | <b>Cost of<br/>Goods Sold</b> | <b>Gross<br/>Profit (Loss)</b> |
|--|------------------|-------------------------------|--------------------------------|
| <b>Manufacturing</b>                           |                  |                               |                                |
| Furniture                                      | \$15,000         | \$11,199                      | \$3,801                        |
| Metal Products                                 | \$8,000          | \$5,814                       | \$2,186                        |
| License Plates                                 | \$16,275         | \$7,440                       | \$8,835                        |
| General Fabrication                            | \$8,000          | \$6,654                       | \$1,346                        |
| Bindery  | \$1,750          | \$1,417                       | \$333                          |
| Knitting Mill                                  | \$1,400          | \$955                         | \$445                          |
| Fabric Products                                | \$19,100         | \$15,253                      | \$3,847                        |
| Shoes  | \$4,100          | \$3,270                       | \$830                          |
| Mattresses                                     | \$2,500          | \$2,012                       | \$488                          |
| Cleaning Products                              | \$7,100          | \$4,552                       | \$2,548                        |
| Modular Construction                           | \$1,250          | \$578                         | \$672                          |
| <b>Sub-total Manufacturing</b>                 | <b>\$84,475</b>  | <b>\$59,144</b>               | <b>\$25,331</b>                |
| <b>Services</b>                                |                  |                               |                                |
| Meat Cutting                                   | \$11,726         | \$9,755                       | \$1,971                        |
| Bakery   | \$3,300          | \$2,110                       | \$1,190                        |
| Coffee Roasting                                | \$1,996          | \$1,549                       | \$447                          |
| Food & Beverage Packaging                      | \$23,000         | \$19,123                      | \$3,877                        |
| Metal Signs                                    | \$1,500          | \$961                         | \$539                          |
| Printing                                       | \$5,100          | \$3,284                       | \$1,816                        |
| Dental Lab                                     | \$700            | \$518                         | \$182                          |
| Digital Services                               | \$500            | \$374                         | \$126                          |
| Laundry  | \$13,500         | \$10,134                      | \$3,366                        |
| Optical  | \$13,000         | \$6,692                       | \$6,308                        |
| Construction Services & Facilities Maintenance | \$27,611         | \$24,375                      | \$3,236                        |
| <b>Sub-total Services</b>                      | <b>\$101,933</b> | <b>\$78,875</b>               | <b>\$23,058</b>                |
| <b>Agricultural</b>                            |                  |                               |                                |
| Dairy / Farm                                   | \$13,751         | \$12,425                      | \$1,326                        |
| Crops  | \$560            | \$1,227                       | (\$667)                        |
| Poultry  | \$5,915          | \$5,332                       | \$583                          |
| Egg Production                                 | \$8,250          | \$6,268                       | \$1,982                        |
| <b>Sub-total Agricultural</b>                  | <b>\$28,476</b>  | <b>\$25,252</b>               | <b>\$3,224</b>                 |
| <b>Total</b>                                   | <b>\$214,884</b> | <b>\$163,271</b>              | <b>\$51,613</b>                |



# Offender Assignments by Enterprise

| Offender Assignments                           | FY 2012-13<br>Actuals | FY 2013-14<br>Actuals | FY 2014-15<br>Approved<br>Mid-Year<br>Revise | FY 2015-16<br>Approved<br>Annual<br>Plan |
|--|-----------------------|-----------------------|--|--|
| <b>Manufacturing</b>                           |                       |                       |  |  |
| Furniture                                      | 410                   | 465                   | 508  | 624                                      |
| Metal Products                                 | 216                   | 221                   | 240  | 305                                      |
| License Plates                                 | 104                   | 105                   | 116  | 110                                      |
| General Fabrication                            | 138                   | 110                   | 138  | 147                                      |
| Bindery  | 69                    | 51                    | 105  | 100                                      |
| Knitting Mill                                  | 63                    | 60                    | 120  | 61                                       |
| Fabric Products                                | 1,224                 | 1,124                 | 1,461  | 1,367                                    |
| Shoes  | 130                   | 121                   | 170  | 135                                      |
| Mattresses                                     | 39                    | 35                    | 111  | 41                                       |
| Cleaning Products                              | 50                    | 44                    | 54   | 50                                       |
| Modular Construction                           | 50                    | 32                    | 66   | 5*                                       |
| <b>Sub-total Manufacturing</b>                 | <b>2,493</b>          | <b>2,368</b>          | <b>3,089</b>                                 | <b>2,945</b>                             |
| <b>Services</b>                                |                       |                       |  |  |
| Meat Cutting                                   | 63                    | 60                    | 75   | 66                                       |
| Bakery   | 59                    | 46                    | 52   | 60                                       |
| Coffee Roasting                                | 23                    | 22                    | 25   | 23                                       |
| Food & Beverage Packaging                      | 169                   | 174                   | 206  | 185                                      |
| Metal Signs                                    | 36                    | 38                    | 33   | 45                                       |
| Printing                                       | 124                   | 111                   | 131  | 114                                      |
| Dental Lab                                     | 56                    | 56                    | 56   | 63                                       |
| Digital Services                               | 16                    | 17                    | 18   | 19                                       |
| Laundry  | 662                   | 633                   | 787  | 735                                      |
| Optical  | 190                   | 188                   | 190  | 251                                      |
| Construction Services & Facilities Maintenance | 97                    | 220                   | 987  | 854                                      |
| <b>Sub-total Services</b>                      | <b>1,495</b>          | <b>1,565</b>          | <b>2,560</b>                                 | <b>2,415</b>                             |
| <b>Agricultural</b>                            |                       |                       |  |  |
| Dairy / Farm                                   | 185                   | 157                   | 236  | 238                                      |
| Crops  | 14                    | 13                    | 48   | 32                                       |
| Poultry  | 25                    | 31                    | 31   | 47                                       |
| Egg Production                                 | 28                    | 23                    | 48   | 49                                       |
| <b>Sub-total Agricultural</b>                  | <b>252</b>            | <b>224</b>            | <b>363</b>                                   | <b>366</b>                               |
| <b>Selling and Administration</b>              |                       |                       |  |  |
| Statewide Administrative Support               | 261                   | 222                   | 366  | 242                                      |
| On-Time Delivery                               | 26                    | 24                    | 31   | 37                                       |
| Central Office                                 | 10                    | 31                    | 44   | 52                                       |
| Career Technical Education Programs            | 43                    | 96                    | 348  | 376                                      |
| <b>Sub-total Selling and Administration</b>    | <b>340</b>            | <b>373</b>            | <b>789</b>                                   | <b>707</b>                               |
| <b>Total</b>                                   | <b>4,580</b>          | <b>4,530</b>          | <b>6,801</b>                                 | <b>6,433</b>                             |



\* Offender assignments reallocated to Career Technical Education Programs

# Designation of Cash



| <b>Designation of Cash</b><br>(In Thousands)              | <b>FY 2012-13</b><br><b>Actuals</b> | <b>FY 2013-14</b><br><b>Actuals</b> | <b>FY 2014-15</b><br><b>Approved</b><br><b>Mid-Year</b><br><b>Revise</b> | <b>FY 2015-16</b><br><b>Approved</b><br><b>Annual</b><br><b>Plan</b> |
|---|-------------------------------------|-------------------------------------|--|--|
| <b>Cash - Beginning of Year</b>                           |                                     |                                     |  |  |
| Cash - Beginning of Year                                  | \$70,839                            | \$79,719                            | \$83,635 <sup>1</sup>  | \$86,610   |
| Penal Code 2806 Transfer                                  | 0                                   | (13,000)                            | 0  | 0  |
| <b>Net Cash - Beginning of Year</b>                       | <b>\$70,839</b>                     | <b>\$66,719</b>                     | <b>\$83,635</b>  | <b>\$86,610</b>  |
| <b>Cash Flows from Operating Activities</b>               |                                     |                                     |  |  |
| Revenues  | \$180,246                           | \$192,643                           | \$199,611  | \$214,884  |
| Operating Expenses  | (179,744)                           | (188,123)                           | (199,365)  | (213,524)  |
| Total Operating Income (Loss)                             | \$502                               | \$4,520                             | \$246  | \$1,360  |
| Adjustments to Reconcile Operating Income (Loss) to Cash: |                                     |                                     |  |  |
| Depreciation  | 6,195                               | 6,135                               | 6,649  | 6,656  |
| Net Effect of Changes In:                                 |                                     |                                     |  |  |
| Inventory   | 885                                 | 3,004                               | 0  | 0  |
| Deferred Revenue  | 298                                 | (1,090)                             | 0  | 0  |
| Net OPEB Obligation                                       | 7,191                               | 7,359                               | 10,240   | 9,243  |
| Other Assets / Liabilities                                | (312)                               | 5,941                               | 0  | 0  |
| <b>Net Cash Flows from Operating Activities</b>           | <b>\$14,759</b>                     | <b>\$25,869</b>                     | <b>\$17,135</b>  | <b>\$17,259</b>  |
| <b>Net Cash Flows - Other</b>                             |                                     |                                     |  |  |
| Capital Expenditures                                      | (\$5,293)                           | (\$8,634)                           | (\$13,960) <sup>2</sup>  | (\$13,102)   |
| Non-Operating Revenues (Expenses)                         | (586)                               | (319)                               | (200)  | (864)  |
| <b>Net Cash Flows - Other</b>                             | <b>(\$5,879)</b>                    | <b>(\$8,953)</b>                    | <b>(\$14,160)</b>  | <b>(\$13,966)</b>  |
| <b>Net Change in Cash</b>                                 | <b>\$8,880</b>                      | <b>\$16,916</b>                     | <b>\$2,975</b>   | <b>\$3,293</b>   |
| <b>Cash - End of Year</b>                                 | <b>\$79,719</b>                     | <b>\$83,635</b>                     | <b>\$86,610</b>  | <b>\$89,903</b>  |

<sup>1</sup> Mid-Year Revise "Cash - Beginning of Year" updated to reflect the Audited FY 2013-14 "Cash - End of Year".

<sup>2</sup> The budgeted years includes capital funding for items previously approved by the Prison Industry Board, but not purchased.

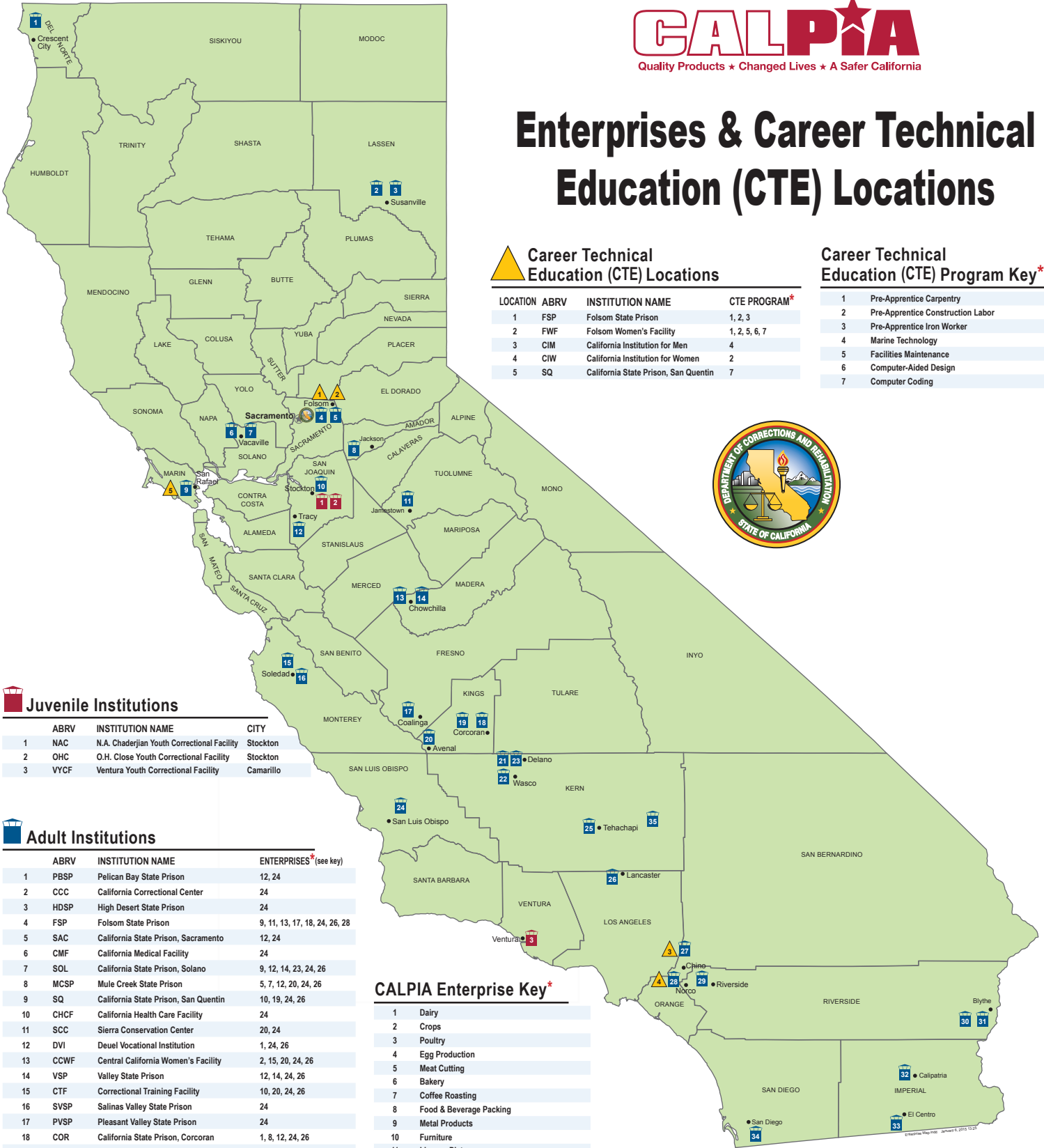
# Enterprises & Career Technical Education (CTE) Locations

## Career Technical Education (CTE) Locations

| LOCATION | ABRV | INSTITUTION NAME                     | CTE PROGRAM*  |
|----------|------|--------------------------------------|---------------|
| 1        | FSP  | Folsom State Prison                  | 1, 2, 3       |
| 2        | FWF  | Folsom Women's Facility              | 1, 2, 5, 6, 7 |
| 3        | CIM  | California Institution for Men       | 4             |
| 4        | CIW  | California Institution for Women     | 2             |
| 5        | SQ   | California State Prison, San Quentin | 7             |

## Career Technical Education (CTE) Program Key\*

|   |                                   |
|---|-----------------------------------|
| 1 | Pre-Apprentice Carpentry          |
| 2 | Pre-Apprentice Construction Labor |
| 3 | Pre-Apprentice Iron Worker        |
| 4 | Marine Technology                 |
| 5 | Facilities Maintenance            |
| 6 | Computer-Aided Design             |
| 7 | Computer Coding                   |



## Juvenile Institutions

| ABRV | INSTITUTION NAME | CITY  |
|------|------------------|---|
| 1    | NAC              | N.A. Chaderjian Youth Correctional Facility |
| 2    | OHC              | O.H. Close Youth Correctional Facility      |
| 3    | VYCF             | Ventura Youth Correctional Facility         |

## Adult Institutions

| ABRV | INSTITUTION NAME | ENTERPRISES* (see key)                      |
|------|------------------|---|
| 1    | PBSP             | Pelican Bay State Prison                    |
| 2    | CCC              | California Correctional Center              |
| 3    | HDSP             | High Desert State Prison                    |
| 4    | FSP              | Folsom State Prison                         |
| 5    | SAC              | California State Prison, Sacramento         |
| 6    | CMF              | California Medical Facility                 |
| 7    | SOL              | California State Prison, Solano             |
| 8    | MCSP             | Mule Creek State Prison                     |
| 9    | SQ               | California State Prison, San Quentin        |
| 10   | CHCF             | California Health Care Facility             |
| 11   | SCC              | Sierra Conservation Center                  |
| 12   | DVI              | Deuel Vocational Institution                |
| 13   | CCWF             | Central California Women's Facility         |
| 14   | VSP              | Valley State Prison                         |
| 15   | CTF              | Correctional Training Facility              |
| 16   | SVSP             | Salinas Valley State Prison                 |
| 17   | PVSP             | Pleasant Valley State Prison                |
| 18   | COR              | California State Prison, Corcoran           |
| 19   | SATF             | Substance Abuse Treatment Facility          |
| 20   | ASP              | Avenal State Prison                         |
| 21   | NKSP             | North Kern State Prison                     |
| 22   | WSP              | Wasco State Prison                          |
| 23   | KVSP             | Kern Valley State Prison                    |
| 24   | CMC              | California Men's Colony                     |
| 25   | CCI              | California Correctional Institution         |
| 26   | LAC              | California State Prison, Los Angeles County |
| 27   | CIM              | California Institution for Men              |
| 28   | CIW              | California Institution for Women            |
| 29   | CRC              | California Rehabilitation Center            |
| 30   | CVSP             | Chuckawalla Valley State Prison             |
| 31   | ISP              | Ironwood State Prison                       |
| 32   | CAL              | Calipatria State Prison                     |
| 33   | CEN              | Centinel State Prison                       |
| 34   | RJD              | RJ Donovan Correctional Facility            |
| 35   | CAC              | California City Correctional Facility       |

## CALPIA Enterprise Key\*

|    |  |
|----|--|
| 1  | Dairy  |
| 2  | Crops  |
| 3  | Poultry                                      |
| 4  | Egg Production                               |
| 5  | Meat Cutting                                 |
| 6  | Bakery                                       |
| 7  | Coffee Roasting                              |
| 8  | Food & Beverage Packing                      |
| 9  | Metal Products                               |
| 10 | Furniture                                    |
| 11 | License Plates                               |
| 12 | Laundry                                      |
| 13 | Digital Services                             |
| 14 | Optical                                      |
| 15 | Dental lab                                   |
| 16 | Cleaning Products                            |
| 17 | Printing                                     |
| 18 | Metal Signs                                  |
| 19 | Mattress                                     |
| 20 | Fabric Products                              |
| 21 | Knitting Mill                                |
| 22 | Shoes  |
| 23 | Bindery                                      |
| 24 | Construction Services Facilities Maintenance |
| 25 | General Fabrication/Century                  |
| 26 | Support Services                             |
| 27 | On Time Delivery Center                      |
| 28 | Modular Building                             |

## CDCR Headquarters



Department of Corrections and Rehabilitation  
1515 "S" Street  
Sacramento, CA 95814

## CALPIA Central Office



560 East Natoma Street  
Folsom, CA 95630-2200



- CUSTOMER SUPPORT
- REPORT A PROBLEM
- CUSTOMER FEEDBACK
- EXEMPTION REQUEST

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